

Bambuser pre-releases 2016/2017 results and announces CEO resignation

Bambuser AB (publ) releases selected preliminary unaudited 2016/2017 financial results ahead of the earnings release scheduled for March 7. On the back of recent developments, the Company does not expect to reach its previously communicated financial targets. The Company also announces that its CEO, Hans Eriksson, has decided to leave this position.

Pre-announcement of selected preliminary unaudited 2016/2017 financial results

The Company estimates that, for the 18 months ending December 31, 2017, its net sales were SEK 8,140 thousand and the net loss was SEK 20,705 thousand. For the period July-December 2017 net sales is estimated at SEK 2,613 thousand and net loss at SEK 13,361 thousand.

While the sales pipeline remains healthy, revenues were lower than the Company's targets and attributable to longer sales cycles than expected and increased competition in the Company's principal customer segments.

On the back of recent developments, the Company does not expect to reach its previously communicated targets of positive cash flow and net earnings, on a rolling 12-month basis, by the end of 2018. With the current uncertainty the Board has decided to not communicate new financial targets at this stage.

The Company maintains a solid cash position and its net cash on December 31, 2017, amounted to SEK 25.3 million and corresponding to SEK 1.67 per share. With the projected run rate, the Company does not foresee any further capital needs during the next 12 months.

Scaling down the US sales organization

The management has decided to scale down the Company's US sales organization on the back of a slower than expected development in that market. Most of the sales efforts will be concentrated to Europe, which means laying off the three employed sales representatives in the US. Going forward, the US market will be handled by 1-2 commission based sales representatives supported by the global sales team in Stockholm. By consolidating the sales organization, Bambuser expects to achieve a more cost efficient and systematic sales process.

CEO resignation

The CEO, Hans Eriksson, has decided to leave the Company. Mr. Eriksson has been engaged in the Company since 2011 and CEO since December 2016. He is also a major shareholder in Bambuser with almost 10 percent of the share capital.

Mr. Eriksson will retain his responsibilities as CEO for Bambuser until an interim solution or the recruitment of a new CEO is in place. The process of appointing a successor is starting immediately.

Interim CFO consultancy agreement expires March 9

Following the departure of the Company's former CFO Emil Rönnbäck in September 2017, Bambuser hired Ulrika Jones as interim CFO on a consultancy basis. Ms.

Jones was only contracted until March 9, 2018, and the search for a permanent replacement continues.

This is information that Bambuser AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was sent for publication, through the agency of the contact persons set out below, on February 02, 2018, 08:30 CET.

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Bambuser is a Swedish software company that offers B2B solutions for live video. Since 2007, the Company has developed a platform for interactive live video broadcasts enabling live video streaming from mobile phones and web cams to the Internet. The breakthrough occurred in 2010, when the Company's service was used to report the unrest in Egypt during the parliamentary elections. The following year, videos were produced via Bambuser and used in several television broadcasts throughout the world during the Arab Spring. Today, Bambuser's service is installed in more than 50 million phones and has over the years reached 100s of millions of news consumers through companies like CNN, BBC, Al Jazeera, SkyNews, etc. Since 2014, Bambuser has chosen to focus on B2B, Business-to-Business, to increase the spread of the company's products and strengthen its long-term revenue potential. Among the customers are companies as Associated Press, Aftonbladet, Schibsted, NRK and Deutsche Welle.